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No. 2000/092

TO COUNTY ASSESSORS:

GRAPEVINES—TRANSFER OF BASE YEAR VALUE

Chapter 272 of the Statutes of 2000 (Assembly Bill 1790, Wiggins) amends Revenue and Taxation Code section 53, which provides property tax relief for grapevines that must be replaced because of a phylloxera infestation or Pierce's disease.

Under current law, the base year value of the removed grapevines may be transferred to new grapevines under certain conditions. Specifically, the affected grapevines must be removed solely as a result of a phylloxera infestation and/or Pierce's disease, as certified by the county agricultural commissioner, and they must be less than 15 years of age. Further, the replacement grapevines must be "substantially equivalent" to the removed grapevines. This means that the replacement vines must be of a similar type and be planted at the same density as the vines they replace. Finally, the replacement grapevines must be planted on the same parcel as the replaced vines. Relief is limited to those counties which pass an ordinance making these provisions applicable.

Effective January 1, 2001, Chapter 272 deletes the condition that the replacement grapevines be of the same type as the removed grapevines. Thus, provided the removed grapevines qualify, the base year value transfer is available to any type of grapevine planted as a replacement. In addition, the amendments made by Chapter 272 provide that if the grapevines are replanted at a greater density, the base year value transfer is limited to an equivalent number of replacement grapevines. That portion in excess of a substantially equivalent amount must be assessed at current market value.

A strikeout and underline version of the changes to section 53 is enclosed. If you have any questions, please contact our Real Property Technical Services Unit at (916) 445-4982.

Sincerely,

/s/ Richard C. Johnson

Richard C. Johnson  
Deputy Director  
Property Taxes Department

RCJ:grs  
Enclosure

**Assembly Bill No. 1790**

**CHAPTER 272**

*Section 53 of the Revenue and Taxation Code is amended to read:*

53. (a) Except as provided in subdivision (b), the initial base year value for fruit and nut trees and grapevines subject to exemption pursuant to subdivision (i) of Section 3 of Article XIII of the California Constitution shall be the full cash value of those properties as of the lien date of their first taxable year.

(b) A county board of supervisors may, after consulting with affected local agencies within the county's boundaries, provide by ordinance that the initial base year value for replacement grapevines that are planted to replace grapevines less than 15 years of age that were removed solely as a result of phylloxera infestation or Pierce's Disease, and are planted on the same parcel as the replaced grapevines, as certified in writing by the county agricultural commissioner, shall be the base year value of the removed grapevines factored to the lien date of the first taxable year of the replacement grapevines. The assignment of base year replacement value ~~is~~ shall be limited to that portion of the replacement grapevines that are substantially equivalent to the grapevines that were replaced, if the replacement grapevines are planted at a greater density, ~~and are planted on the same parcel as the replaced vines. For purposes of this subdivision, replacement vines are substantially equivalent to the vines they replace if the replacement vines are of a similar type and are planted at a similar density.~~